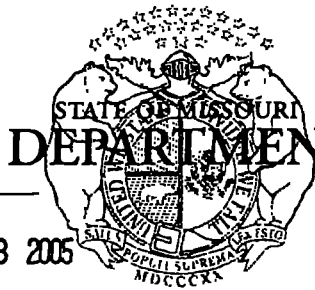


Morrison SUPR
CC: RA/DRA



Matt Blunt, Governor • Doyle Childers, Director

DEPARTMENT OF NATURAL RESOURCES

www.dnr.mo.gov

DEC 23 2005

The Honorable Jeff Kendall
Mayor
City of Herculaneum
City Hall, 1 Parkwood Drive
Herculaneum, MO 63048

40328416



Superfund

Dear Mayor Kendall:

We appreciate the opportunity to discuss lead contamination issues in Herculaneum and the future of the Herculaneum Voluntary Property Purchase Plan (VPPP) area at the September 26, 2005, Herculaneum Board of Aldermen meeting. We are writing in response to specific information requests made by the Board of Aldermen.

Based on currently available information, the Missouri Department of Natural Resources (DNR) believes that residential re-use of the Herculaneum VPPP area may pose future unacceptable risks to human health and the environment if current soil re-contamination rates are not reduced. We continue to observe upward trends in soil re-contamination monitoring data within 0.75 mile of the smelter. Based on our analyses of the soil re-contamination trends and other data, the current rates of lead re-deposition are highest in the VPPP area and unrestricted residential use will be unsafe in the VPPP area in the near future. If conditions at Doe Run's facility change, such that re-contamination is significantly reduced, the department would re-evaluate the suitability of the VPPP area for residential use.

We believe Doe Run should continue to demolish homes it owns in the Herculaneum VPPP area according to the April 2002 Settlement Agreement between the state and Doe Run. Although participation in the VPPP under the Settlement Agreement is voluntary, the DNR strongly recommends Doe Run and the city of Herculaneum continue to pursue efforts to relocate residents remaining in the VPPP area, and eventually vacate the remaining occupied homes. The DNR strongly supports efforts by Doe Run and the city to re-use the VPPP area for acceptable non-residential uses that are protective of public health and the environment now and into the future. Commercial, industrial, and recreational options for re-use of the VPPP area are all viable depending on the specifics of any potential redevelopment scenario. The DNR will be pleased to continue to work with the city, Doe Run, the U.S. Environmental Protection Agency (EPA), and other stakeholders on appropriate redevelopment of the Herculaneum VPPP area.

As you know, some eligible residents chose not to participate in the Herculaneum VPPP by not responding and requesting property appraisals or not accepting purchase offers from Doe Run. There are also a number of purchase offers made by Doe Run that have been accepted but are not closed. Since the property purchase program was voluntary, there is no mandatory obligation for VPPP area residents to participate or accept purchase offers and move under the April 2002 Settlement Agreement between the state and Doe Run. The DNR issued a few exceptions according to the Settlement Agreement allowing some elderly residents to continue renting Doe Run-owned homes in the VPPP area.

Mayor Kendall
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Therefore, a number of homes in the VPPP area will remain occupied for the time being, while the majority of homes are vacant. Homes that remain occupied within the VPPP area and homes outside of the VPPP area that become re-contaminated to levels that pose risks to human health will likely require additional cleanup through time. The DNR and the EPA, Region VII continue to work with Doe Run to further reduce releases from the facility and other processes. Additional controls to reduce releases may, in turn, reduce recontamination rates. Our goal is to reduce releases to a point where additional cleanup or other actions will not be required to protect human health and the environment.

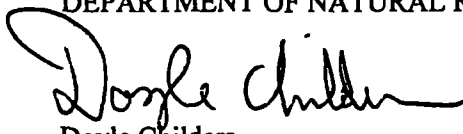
Enclosed is a copy of a map showing the Herculaneum VPPP area, and the properties owned and not owned by Doe Run based on the best available current information. We will continue to work with Doe Run to obtain additional information regarding the ownership status of the properties in the VPPP area. Additional properties may come under Doe Run ownership as outstanding accepted purchase offers close. Also enclosed is a copy of the DNR's most recent report of its re-deposition data analysis. It is our understanding that the state Department of Health and Senior Services has also sent a similar letter in regard to the VPPP area.

We look forward to working with you, Doe Run, the EPA, your Master Planning Committee, and various other stakeholders to outline a reasonable path forward that remains protective of human health and the environment while promoting a viable economy for your community. We also look forward to being a participant in the collaborative planning process which E2 Inc. will facilitate to assist the city in identifying and evaluating re-use options for the VPPP area.

Please contact me at Missouri Department of Natural Resources, P.O. Box 176, Jefferson City MO 65102-0176 or by telephone at (573) 751-4732 if you have any questions.

Sincerely,

DEPARTMENT OF NATURAL RESOURCES



Doyle Childers
Director

DC:rhl

Enclosures

c: Mr. Daniel Vornberg, Doe Run Company
Mr. Jim Gulliford, U.S. EPA, Region VII
Mr. Gene Thompson, President, Herculaneum Today & Tomorrow
Mr. Larry O'Leary, Herculaneum Community Advisory Group